2. For projects to be eligible for capital subsidy under the scheme, prior commitment of the States would also be obtained before sanction of projects under the scheme for:

(i) Guarantee by State Government for a minimum daily supply of 6-8 hours of electricity in the RGGVY network with the assurance of meeting any deficit in this context by supplying electricity at subsidized tariff as required under the Electricity. Act, 2003.

(ii) Deployment of franchisees for the management of rural distribution in projects financed under the scheme and to undertake steps necessary to operationalise the scheme.

3. BPL households will be provided free electricity connections. The rate of reimbursement for providing free connections to BPL households would be Rs.2200 per household.

4. The projects under the scheme will be subject to implementation of a three tie quality monitoring mechanism.

The cost norms for village electrification have been revised as under:-

		Cost (Rs. In lakhs)
1.	Electrification of un-electrified villages	
(a)	In normal terrain	13
(b)	In hilly, tribal, desert area	18
2.	Intensive electrification of already electrified villages	
(a)	In normal terrain	4
(b)	In hilly, tribal, desert area	6
3.	Cost of electricity connection to BPL households	0.022

Allocation of power to Kerala

265. SHRI A. VIJAYARAGHAVAN: Will the Minister of POWER be pleased to state:

(a) whether Kerala is a deficient State in electricity supply, as on date;

(b) if so, the details thereof, including the quantity of electricity allotted to Kerala from the Central Pool during the last three years, year-wise and category-wise;

(c) whether quantity of electricity provided/being supplied to Kerala this year is less than that supplied last year;

(d) if so, the reasons therefor;

(e) the quantity of electricity supplied last year and that being supplied as on date, category-wise;

(f) whether steps would be taken to restore supply the same quantity of electricity from the central pool as the last year; and

(g) whether steps would also be taken to provide more power to Kerala from central unallocated share of electricity?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI JAIRAM RAMESH): (a) to (c) The energy and peak shortages in Kerala during April to September, 2008 was of 928 MU (10.8%) and 372 MW (11.9%) respectively.

The power allocated to Kerala from the Central Generating Stations as on 31st March 2006, 2007 and 2008 was 1542 MW, 1314 MW and 1216-1221 MW respectively.

(d) In January, 2007, 180 MW power from Kayamkulam CCGT was diverted to Tamil Nadu following the inability expressed by Kerala to utilize full power from the project due to high cost of Naphtha. Further, allocation of 200 MW home state share to Orissa from Talcher STPS Stage-II in April, 2007 resulted in reduction of allocation of all Southern Region States from this project, including 33 MW from Kerala. However, the firm allocation increased by 17 MW in May, 2007 after commissioning of Kaiga Atomic Power Station unit-3 (220 MW). Since January, 2007, there have been reductions in the allocation of unallocated power of Central Generating Stations to Kerala as well as other Southern States in January, April and December, 2007, depending on their power supply position. The allocation of unallocated power to Kerala was enhanced in January, 2008.

(e) The energy scheduled to Kerala from the Central Generating Stations during April to September, 2008 was 3775 Million Units (MU) as compared to 4744 MU scheduled during the corresponding period of last year. The total availability of power for Kerala during April to September, 2008 increased to 7674 MU from 7481 MU during April to September, 2007.

(f) and (g) The unallocated power of Central Generating Stations is limited and fixed. Allocations and modifications of allocation, within the States/UTs in the region and made generally keeping in view the emergent or seasonal nature of the requirement, the relative power supply position, utilization of existing generation and power resources, performance and payment capacity. The allocation of unallocated power of CGSs is reviewed and revised from time to time and there is no quota earmarked for any particular State.

Moreover, the State may take proactive steps to augment power supply by adding capacity, bilateral purchases and short term purchase through Power exchange.

Recommendations of GOM on power sector

266. DR. T. SUBBARAMI REDDY:
SHRI VIJAY JAWAHARLAL DARDA:

Will the Minister of POWER be pleased to state:

(a) whether, to meet Government's ambitious target of adding fresh capacity of 1,11,000 MW during the Eleventh Five Year Plan, a Group of Ministers has proposed that Government should divest upto 48 per cent of the stake in profitable central power sector companies which include NTPC, PPC, REC, PGCIL and NHPC;

(b) if so, what are the other main recommendations made the Group of Ministers for improving the power sector;

(c) whether IPO and FPOs are to meet only one-third of investment during the Eleventh Five Year Plan and stake sale funds are to be routed through new National Electricity Fund;

(d) if so, how many of its recommendations have been accepted; and

(e) to what extent it has been helpful for power sector?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI JAIRAM RAMESH): (a) to (e) In pursuance of the announcement made by the Hon'ble Prime Minister in the Conference of